

STATE OF INDIANA)	IN THE MARION CIRCUIT COURT
) SS:	
COUNTY OF MARION)	CAUSE NO. <u>49C01-0510-PL-0036862</u>
STATE OF INDIANA,)	
)	
Plaintiff,)	
)	
v.)	
)	
JAMES L. SHAFER,)	
individually and doing business as)	
INDY MUSTANG PERFORMANCE,)	
)	
MONTGOMERY DEAN GLOVER,)	
Individually and doing business as)	
INDY MUSTANG UNLIMITED, and)	
)	
INDY MUSTANG UNLIMITED, INC.,)	
)	
Defendants.)	

FILED

147

DEC 9 2006

Dana L. Toliver
CLERK OF THE
MARION CIRCUIT COURT

CONSENT JUDGMENT AGAINST
THE DEFENDANT, JAMES L. SHAFER, ONLY

The Plaintiff, State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Terry Tolliver, and the Defendant, James L. Shafer, hereby agree to entry of a Consent Judgment without trial or adjudication of any issue of fact or law herein.

The parties believe it is in their best interest to resolve the issues raised by the State of Indiana and avoid further litigation. This Consent Judgment does not constitute an admission by the Defendant of any wrongdoing, nor shall it be construed as an abandonment by the Attorney General of his position the Defendant violated Indiana's Deceptive Consumer Sales Act. The parties consent to entry of a final judgment in this proceeding by the Court and accept this Consent Judgment as final on the issues resolved herein.

JURISDICTION, SCOPE OF JUDGMENT, AND ACKNOWLEDGMENTS

1. This Court has jurisdiction and venue over the subject matter of this action and the parties hereto.

2. The State of Indiana's Complaint for Injunction, Restitution, Costs, Civil Penalties, and Other Equitable Relief states a cause of action pursuant to the Indiana Deceptive Consumer Sales Act, Indiana Code § 24-5-0.5-1, *et seq.*

3. At all times relevant to this Complaint, the Defendant, James L. Shafer, was engaged in the sale and repair of automobile engines and operated from his principal place of business in Marion County, located at 675 East Murry Street, Indianapolis, Indiana, 46227.

RELIEF ORDERED

4. The Defendant is permanently enjoined from engaging in the following acts and making, causing to be made, or permitting to be made the following representations:

- a. representing expressly or by implication the subject of a consumer transaction has sponsorship, approval, characteristics, accessories, uses, or benefits it does not have which the Defendant knows or reasonably should know it does not have;
- b. representing expressly or by implication, the Defendant is able to deliver or complete the consumer transaction within a stated period of time, or when no time period is stated, within a reasonable period of time, when the Defendant knows or should reasonably know he cannot; and

- c. representing expressly or by implication the consumer will be able to purchase the subject of the consumer transaction as advertised by the Defendant, if the Defendant does not intend to sell it.

5. The Defendant's contracts with Consumers, Garret Reed, Rod McAfee, Lawrence Kinser, Carl Fuller, Wilfredo Villamar, Andrew Rompalski, Phillip Jackson, Chris Kopriva, Dan Schultz, Stephen Iglesias, Joseph Shores, John Strizak, David Melley, Bruce Christofferson, and Arvin Davis, are hereby cancelled pursuant to Ind. Code § 24-5-0.5-4(d).

6. Pursuant to Ind. Code § 24-5-0.5-4(c)(2), the Defendant shall pay consumer restitution in the amount of Seven Thousand Dollars (\$7,000.00) to the Office of the Attorney General, for pro rata distribution to the following consumers in the following amounts:

- | | | |
|----|--|----------------|
| a. | Lawrence Kinser of Valparaiso, Indiana | \$1,895.22; |
| b. | Andrew Rompalski of Woodbridge, Virginia | \$ 793.62; |
| c. | Chris Kopriva of Burlington, Iowa | \$1,800.46; |
| d. | John Strizak of Akron, Ohio | \$ 710.71; |
| e. | Phillip Jackson of Eufaula, Alabama | \$ 805.00; and |
| f. | Rod McAfee of McKinney, Texas | \$ 994.99. |

7. The Defendant shall pay the Office of the Attorney General, pursuant to Ind. Code § 24-5-0.5-4(g) and Ind. Code § 24-5-0.5-8, the amount of Ten Thousand Dollars (\$10,000.00), representing civil penalties for the Defendant's knowing and intentional violations of the Deceptive Consumer Sales Act.

8. The Defendant shall not engage in business as a supplier of goods via the Internet, nor shall he resume business as an individual, owner, principal, or investor in any subsequent business or corporation engaged in business as a supplier of goods via the Internet, until the monetary provisions of this Judgment are fully satisfied. Should the monetary provisions of this Judgment remain unsatisfied as of June 1, 2007, the Defendant shall, upon that date, be enjoined from and immediately cease all employment with any subsequent business or corporation engaged in business as a supplier of goods via the Internet.

9. **A total monetary judgment in the amount of Seventeen Thousand Dollars (\$17,000.00) shall therefore be entered in favor of the Plaintiff, State of Indiana, and against the Defendant, James L. Shafer.**

10. The Defendant shall cooperate with the Office of the Attorney General in the resolution of any future written complaints the Consumer Protection Division receives regarding any of the Defendant's activities occurring subsequent to the execution of this Consent Judgment. This shall include, but is not limited to, the Defendant promptly resolving valid consumer complaints brought to the Defendant's attention by the Office of the Attorney General, either prior to, or after the filing of, this Consent Judgment with the Court.

11. The State of Indiana hereby release the Defendant, James L. Shafer, from any and all legal, equitable, or other claims, counterclaims, actions, causes of action, or damages, pursuant to the Indiana Deceptive Consumer Sales Act, Ind. Code § 24-5-0.5-1, et seq., that existed at any time prior to this Consent Judgment and that arise in any way as a result of the matters involving the State of Indiana's Complaint for Injunction,

Restitution, Costs, Civil Penalties, and Other Equitable Relief. This provision shall be strictly construed to apply solely to the Defendant, James L. Shafer, and shall not be construed as a release of any other person or entity, including the remaining Defendants in this action, Montgomery Dean Glover and Indy Mustang Unlimited, Inc..

CONTINUING JURISDICTION

12. The Court's entry of this Consent Judgment shall not act as a bar to any private right of action against the Defendant by the Consumers identified above.


13. For the purpose of enforcing the provisions of this Consent Judgment, any subsequent Court obtaining jurisdiction over the Defendant based upon a complaint alleging a violation of any law that is the subject of this Consent Judgment may take judicial notice of this Judgment. The Defendant waives any objection regarding a Court's jurisdiction to punish for contempt and agrees to appear upon proper notice of a failure to comply with any of the provisions of this Judgment.

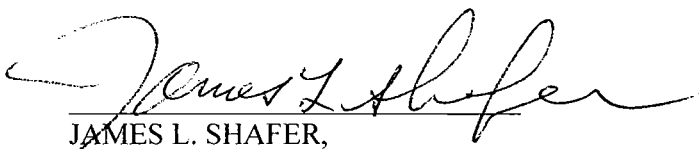
IN WITNESS WHEREOF, the parties have executed this Consent Judgment this

14 day of December, 2006.

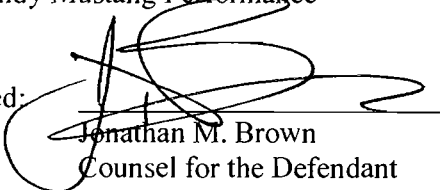
STATE OF INDIANA
STEVE CARTER
Indiana Attorney General

by:


Terry Tolliver
Deputy Attorney General
Attorney No. 22556-49


JAMES L. SHAFER,
individually and doing business as
Indy Mustang Performance

Approved:

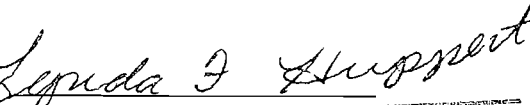

Jonathan M. Brown
Counsel for the Defendant

ALL OF WHICH IS APPROVED, ORDERED, ADJUDGED AND DECREED

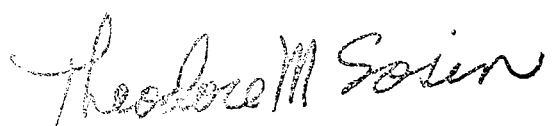
this ____ day of _____, 2006.

DEC 19 2006

RECOMMENDED FOR APPROVAL


Lynda J. Huppert
Judge, Marion Circuit Court
COMMISSIONER

APPROVED AND ORDERED


Theodore M. Soier

Distribution:

Terry Tolliver
Office of the Attorney General
302 W. Washington St., IGCS 5th Floor
Indianapolis, IN 46204

Jonathan M. Brown
Bankruptcy Law Office of Jon Brown
23 South 8th Street
Noblesville, IN 46060

John B. Herriman
Clark, Quinn, Moses, Scott & Grahn, LLP
One Indiana Square, Suite 2200
Indianapolis, IN 46204-2011